

Indiana Department of Transportation

RFP No. 06-04

3-29-06 Posting Date

Request for Proposals Notification

Revised Response Due Date: 5-3-06, State offices will be closed on 5-2-06.

Summary of Items Included

CENTRAL OFFICE – DIVISION OF PRODUCTION MANAGEMENT

1. [I-69 Public-Private Partnership Financial Advisor](#)

Consultant Meetings and Communication Policy

Please note the following policy concerning communication with the Department during the Request for Proposals (RFP) announcement and selection process:

During the time period between advertisement and the announcement of final consultant selections for the RFP Selection Process, the Department will not communicate with consultants (or their agents) regarding the status of the selection process, or entertain any communications related to marketing, etc.

Permissible communications include project administration activities for authorized agreements, scope and negotiation activities for projects selected but not under contract, training or related activities and technical or scope of services questions specific to services included.

Questions regarding the Letter of Interest (LoI) format or requirements are also permissible and are to be directed to Ms. Debby Thomas at FARFP@indot.in.gov. Questions must be in writing and answers will be provided to all proposers through posting on the [Department's Website](#). Note that the deadline for submittal of questions is April 7, 2006 at noon, e.s.t.

Consultant Conflicts of Interest

Firms submitting responses to this RFP are subject to applicable state and federal laws pertaining to organizational and other conflicts of interest. The firm(s) that is/are awarded this contract, its subcontractors and affiliates, shall also not be eligible to participate on a proposer team in connection with the Project and may not be eligible to participate on proposer teams for future projects developed by INDOT as public-private partnerships.

Letter of Interest Submittal Instructions

Firms interested in being considered for selection should respond by sending six (6) hard copies and six (6) electronic copies of a Letter of Interest (LoI) in pdf format on CD's to:

Mr. Joseph Gustin
Deputy Commissioner, Toll Operations
100 North Senate Avenue, Room N 758
Indianapolis, Indiana 46204-2249

All Letters of Interest must be received no later than Noon, eastern standard time, on May 3, 2006, to be considered. When completed, selections will be announced through the [Department's Website](#). INDOT will not be responsible for delays due to equipment malfunctions or delivery problems.

Prequalification Requirements

There are no prequalification requirements applicable to this RFP.

Selection Procedures

The Department will directly select one or more consultant teams for this RFP following a two step selection process. The first step of the process will be submittal and scoring of LoIs to identify a short-list of no more than five teams. The second step will include interviews of the short-listed firms. The anticipated schedule of selection activities and requirements for submittal of the LoI documents are as described below.

DATE	ACTIVITY
March 29, 2006	Issue/Post RFP
April 7, 2006 (noon est)	Last Date for Proposer Questions
April 18, 2006	Issue Q&A
May 2, 2006 (noon est)	Letter of Interest Due Date
May 2-May 16, 2006	Evaluation
May 16, 2006	Shortlisting
May 31-June 1, 2006	Interviews
Early June	Selection
June	Negotiations of Contract/Scope/Budget
Late June-Early July	Execute Contract

INDOT reserves the right to modify this schedule in its discretion at any time with or without notice.

Step 1

Letters of Interest will be scored independently by a 3 to 5 member evaluation committee using the evaluation criteria listed in "Exhibit A". Individual score totals will be tabulated and added

together for each submitting team and the top ranked teams (up to five) with the highest positive scores will be short-listed to participate in Step 2.

Step 2

Short-listed teams will be again evaluated independently by the 3 to 5 member evaluation committee using the same evaluation criteria included in “Exhibit A”, based on the additional information conveyed by the interview. Individual score totals will again be tabulated for each evaluator and added together for each short-listed team and the scoring documentation will be forwarded to the Central Office Selection Recommendation Approval Committee for capacity and procedure compliance review. Findings and recommendations will then be forwarded to the INDOT Commissioner for acceptance or rejection of the selection. INDOT, in its sole discretion, may select more than one proposer team to provide the services required under this RFP and allocate the scope of services amongst the selected teams in the manner that INDOT determines most advantageous to the State and the Project.

Letter of Interest Format Requirements

1. Provide the information requested with a transmittal letter signed by an officer of the firm. Scanned signed documents or electronically applied signatures are both acceptable.
2. LoIs shall be limited to forty (40) 8½" x 11" single-sided pages for the purpose of identification and presentation of qualifications, previous experience and key staff. The total limit is forty-one (41) pages. All pages including the transmittal letter count toward the limit.
3. Please adhere to the following requirements in preparing and binding hardcopy letters of interest:
 - a. Please use a minimum font size of 12-point and maintain margins of 1" on all four sides. All text shall be black type to facilitate machine copying.
 - b. Page numbers must be centered at the bottom of each page.
 - c. Use 8½" x 11" bond paper only, no glossy paper.
 - d. Bind letters of interest by stapling at the upper left hand corner only. Do not utilize any other binding system.
 - e. Do not provide tabbed inserts or other features that may interfere with machine copying.

Letter of Interest Content Requirements

1. Provide a signed transmittal letter stating, in part, the name, address of the primary responsible office from which the work will be performed and email address of the contact person authorized to negotiate for the associated work. LoIs from teams with one or more subconsultants are permitted.
2. List all proposed subconsultants, if any, and the percentage of work to be performed by the prime consultant and each subconsultant.
3. Address the experience of the prime consultant and subconsultant on similar projects, with particular emphasis on public-private partnerships and concessions for tolled

facilities. For each named project, include client references with contact information and describe the consultant's specific role on such project and the amount of its contract.

4. Address the experience of the prime consultant and subconsultant with federal financing programs such as TIFIA and private activity bonds (PABs). For each named project, include client references with contact information and describe the consultant's specific role on such project and the amount of its contract.
5. List the Project Manager (who may not be replaced during the selection, award, or contract period without penalty and INDOT's written approval of the proposed replacement project manager), deputy project manager and other key staff members, including key subconsultant staff.

Address the experience of the Project Manager, deputy project manager and key staff members on similar projects, and the staff qualifications relative to the required item qualifications. Include client references with contact information.

Verify in the form of a statement that the proposed team individuals are currently employed by either the prime consultant or subconsultant and are available to perform the services required under this RFP.

6. Provide an organization chart containing the names, addresses, telephone and fax numbers of the prime consultant and any subconsultant's key personnel proposed for the team and their contract responsibilities by work category.
7. Describe the capacity of your staff and their ability to perform the work in a timely manner, relative to present workload, and the availability of the assigned staff. Include a statement of the obligated time commitments (percentage) as of April 1, 2006 and those proposed in all other outstanding solicitations for the project manager, deputy manager, and key task leaders.
8. Provide a description of your approach to the Project and the financial advisor role (both for the Project and in a public-private partnership generally), understanding of the Project, cost containment practices, innovative ideas and any other relevant information concerning your firm's qualifications for the Project.
9. Describe how the financial advisor team will effectively and efficiently communicate and coordinate with INDOT project staff and work as a team with INDOT staff, technical advisors and legal advisors. Describe the methods and approaches that the proposer team have developed and implemented that have been successful in fostering good, integrated project teams.
10. Identify the key factors and ingredients of success for a public-private partnership project (with specific reference to the Project where possible) and how the financial advisor can support, facilitate and foster such success.
11. Address what procurement and preliminary financial activities should be commenced and advanced early in the financial advisor's work in order to maintain the Project schedule. Identify generally what items are significant critical path items.
12. An action plan outlining the proposer's approach to planning, staffing, scheduling and implementation of work. The action plan must be accompanied by an assessment of resources needed to complete the work and a commitment to providing the necessary

resources.

Exhibit A, this form will be used by INDOT to evaluate and score the submitted LoIs.

Selection Rating for RFP- No. 06-04, Item No. 1 FINANCIAL ADVISOR EVALUATION FORM

Consultant Name:

Services Description: Financial Advisor

Category	Scoring Criteria	Scale	Score	Weight	Weighted Score
Team's Demonstrated Qualifications and Experience in Comparable Roles/Projects	Technical expertise: Unique Resources that yield a relevant added value or efficiency to the required services				
	Demonstrated outstanding expertise and resources identified for req'd services for value added benefit.	2		25	0
	Demonstrated high level of expertise and resources identified for req'd services for value added benefit.	1			
	Expertise and resources at appropriate level.	0			
	Insufficient expertise and/or resources.	-2			
Project Manager and other Key Staff	Rating of predicted ability of project manager and key staff to manage and implement the project, based on: experience in projects of similar size, complexity and type; subs, documentation skills				
	Demonstrated outstanding experience in similar type and complexity.	2		20	0
	Demonstrated high level of experience in similar type and complexity.	1			
	Experience in similar type and complexity shown in resume.	0			
	Experience in different type or lower complexity.	-1			
Approach to Project	Understanding and Innovation that will likely give INDOT cost, time savings and/or a higher degree of certainty on project success				
	High level of understanding and viable innovative ideas proposed.	2		10	0
	Either high level of understanding or viable innovative ideas proposed.	1			
	Basic understanding of the Project.	0			
	Lack of project understanding.	-3			
Location	Location of assigned staff to office relative to project.				
	Within 50 mi.	1		5	0
	51 to 150 mi.	0			
	Greater than 150 miles	-1			
			Weighted Total		

The scores assigned above represent my best judgement of the consultant's abilities for the rating categories. Signed: _____

Title: _____

Date: _____

*Location factor rating to be based on existing prime consultant office relative to Indianapolis.

CENTRAL OFFICE – DIVISION OF PRODUCTION MANAGEMENT

Item No. 1. I-69 Public-Private Partnership Financial Advisor

Estimated Construction Cost: \$2 billion

Agreement Type: One or more of Hourly Rate, Success Fee or Fixed Fee

INTRODUCTION

The Indiana Department of Transportation (INDOT) is currently developing plans to develop, design, construct, finance, operate and maintain a continuation of I-69 from Indianapolis, Indiana to Evansville, Indiana as a toll facility (Project). Presently, there is no highway of interstate standards directly linking the central section to the southwest section of the State of Indiana.

INDOT is seeking the authority to toll the Project from the Federal Highway Administration under one of the interstate tolling programs authorized under SAFETEA-LU.

The Project is a 142 mile proposed new facility with an anticipated construction start date in 2008 and completion in 2018. It is anticipated that portions of the Project will be opened as completed. The Project consists of 6 separate segments, and will complete the Indiana portion of the national I-69 corridor linking Mexico and Canada. Currently the environmental analysis under NEPA is ongoing with respect to the Project on a “tiered” basis. Each segment has received its Tier I record of decision. A re-evaluation of the Tier 1 ROD is currently ongoing to address the impacts of tolling on the Project. The re-evaluation is expected to be completed in the next few months and Tier 2 records of decisions are anticipated to be issued for each segment in mid to late 2007.

The cost the Project is currently estimated to be in excess of \$2 billion (in 2006 dollars), which covers design, land acquisition and construction. Environmental impact mitigation costs are currently estimated at \$77,130,000 and rest areas are estimated at a cost of \$28,600,000.

INDOT currently plans to develop some or all of the Project pursuant to a public-private partnership, whereby the public-private partner (Public-Private Partner) would design, build, finance, operate and maintain the Project for a period of years. In return, the Public-Private Partner would be provided a lease of the Project and a right to charge and retain toll revenues, subject to any upfront concession payment or revenue sharing in favor of INDOT. INDOT currently anticipates commencing the procurement for a Public-Private Partner in late spring 2006, with award and financial close occurring early in 2008.

The purpose of this Request for Proposal (RFP) is to solicit firms with financial and business advisory capability consistent with the descriptions contained in this document, to assist INDOT and its other advisors in the development and procurement of the Project.

BACKGROUND

As mentioned in the introduction, INDOT currently has a team of consultants developing the Project NEPA documentation, including preparing an Engineer's Report and preliminary engineering details for the Project consistent with NEPA analysis. This team consists of a Project Management Consultant (PMC) and six (6) Section Consultants (i.e. six Environmental and Engineering Assessment Consultants).

General information about the Project and the NEPA work, including the individual Section office locations and contact information for each office can be obtained at the Project website at : <http://www.i69indyevn.org/> or <http://www.deisindyevn.org/>.

The current estimated time for completion of the NEPA work being developed by the six Section Consultants ranges from approximately February 2007 for Section 1 through July 2007 for Sections 5 & 6. The current schedule of work is attached herewith, showing the current Tier 2 Master Milestone Schedule. A separate Tier 2 ROD will be issued for each of the six (6) Sections.

In conjunction with the Tier 2 NEPA analysis, INDOT will prepare a design level aerial survey for use in all design work performed subsequent to the preliminary design. This aerial survey will also be used by the PMC and the Section Consultants to develop preliminary road plan and profile sheets in areas where "waters of the US" and wetlands are impacted such that permits may be obtained prior to selection of the Public-Private Partner. The PMC's scope of work includes the development of environmental mitigation strategies and processing of Project permits, including U.S. Army Corps of Engineers Section 404 Permit and IDEM Section 401 Water Quality Certification.

It is anticipated that construction of the Project may continue for up to 10 years, though segments/elements of the Project would open up as and when completed. However, depending on the alternative that is selected through the NEPA process or if the NEPA clearance is delayed, this schedule may be altered, the financial advisor's scope may be modified or the Project may be modified, reconfigured or not pursued.

Notwithstanding the above general Project timeline, subject to obtaining NEPA clearance, INDOT is considering letting a Design/Build Contract for the first two and one half mile portion of Section 1, including a modified interchange at I-64 and the proposed alignment of I-69, an interchange at SR 68 and the proposed alignment of I-69, and the highway connecting them to just north of the SR 68 & I-69 interchange. Subject to NEPA clearance, the current working schedule for the Design/Build Contract is also attached herewith. If NEPA clearance is delayed or a "no-build" alternative is selected, this schedule may be altered and the design-build portion described above might be reconfigured or not pursued.

The Engineer's Reports being developed by the Section Consultants are expected to define the engineering elements of the Project's preferred alternative in each Section for purposes of NEPA analysis. The Engineer's Report will address the following items, among others:

- Project mainline and crossroad construction limits, lengths, and interface with adjacent Project sections and existing highways;
- Traffic data and traffic capacity (level-of-service, operational) analyses, with specific attention to the proposal;
- Crash data and analysis;
- Applicable engineering standards and guidelines, notably design classifications and related controlling criteria for the Project mainline its auxiliary elements, crossroads and local service roads;
- Typical and special cross-sections;
- Horizontal and vertical alignments;
- Plan view superimposed over aerial photographic base map (recommended printed scale: one inch equals three hundred feet, or other English scales in unique circumstances where more of less resolution is fitting), and, in select cases, over topographic mapping or other underlying image;
- Access plan (i.e., location of interchanges, collector-distributors, grade-separations, crossroad extensions and rerouting, local service roads, route transfers);
- Interchange and interchange configurations;
- Location and layout of rest areas and port-of-entry weigh station if applicable;
- Multimodal elements (e.g., grade separations for railroads and pedestrian/bicyclist paths);
- Preliminary hydraulic data and recommendations regarding location, size, and type for all bridges and small drainage structures (excluding crossings requiring culverts under forty-eight inches in diameter or compatible hydraulic makeup);
- Construction, right-of-way, and design estimates, and other features of engineering economic analysis;
- Preliminary right-of-way limits and impacts (width, area, type, relocations, parcels, etc.);
- Preliminary recommendations for maintenance of traffic during construction;
- Compatibility with other State and local transportation projects and long range plans;
- Social, economic, and environmental issues (summary of the environmental process; and

- All other relevant civil/transportation engineering issues

The Engineer's Reports will be completed in two phases, an Interim Engineer's Report followed by a final Engineer's Report. The Interim Engineer's Report is anticipated to be issued prior to the Tier 2 DEIS and the final Engineer's Report after the particular preferred alternative has been identified. The contents of the Engineer's Report may be contacted or expanded depending on the level of preliminary design detail that is deemed appropriate for securing a Public-Private Partner.

ROLE OF FINANCIAL ADVISOR

The Financial Advisor will be a key advisor in developing the optimal business model and financial structure for the Project and assisting in the development of the financial aspects of the Project procurement documents and contract. The Financial Advisor must have an international perspective and be able to demonstrate broad experience with various project financing methods for road or other transportation projects. The Financial Advisor must demonstrate the knowledge and use of detailed financial market knowledge. The Financial Advisor will be expected to provide advice across a vast spectrum of issues in the structuring, analysis, evaluation, documentation and development of the public private partnership delivery option.

FINANCIAL ADVISORY SERVICES

- Review and comment on the current financial model and assumptions that have been used to establish the current model. Develop a refined financial model and utilize the model to assess various Project sensitivities, both on the cost and revenue side.
- Assess existing cost and revenue data and information and make recommendations on additional data necessary to refine the financial model, including cost and revenue estimates. Recommendations should also identify the appropriate timing and schedule for receiving the data in light of the planned procurement for the Public-Private Partner. To the extent such information is provided by third parties, such as traffic and revenue consultants, assist in development of scopes of work and review work products to ensure that appropriate information is obtained.
- Comment on the financial, risk and qualitative analysis that led to the current model. Specifically on the expected financing cost and competitiveness of financing.
- Suggest ideas for INDOT to effectively market the Project, attract qualified proposers and maximize competition during the request for qualifications (RFQ) phase. Participate in such activities as directed by INDOT.
- Assist in the evaluation of financial elements of responses to INDOT's RFQ for a Public-Private Partner.
- Develop a detailed and optimum deal structure based on the public-private partnership model. Assess and advise on expected capital structure, financing instruments and

opportunity for innovative financing.

- Assist with industry review, including discussions and interaction with shortlisted proposers during the industry review process to ensure that the selected procurement process and business structure result in a competitive process. Such efforts shall also include participation in joint proposer workshops and one-on-one Proposer meetings and review and assistance with preparation of responses to proposer questions and comments.
- Assist INDOT and the Indiana Financing Authority (IFA) with the financial elements of any applications made to USDOT and FHWA for TIFIA assistance related to the Project, private activity bond (PABs) allocation for the Project and authority to toll the Project. Assist INDOT and IFA with the financial elements of any negotiations with USDOT and FHWA that arise out such applications, including the negotiation of any TIFIA instruments.
- Assist INDOT and IFA to promote the Project to rating agencies.
- Assist with developing financial evaluation criteria and submission requirements for the Public-Private Partner request for proposals (RFP) to be issued to shortlisted proposers.
- Assist with the financial evaluation of proposals received in response to the RFP. Develop a basis upon which to assess whether the proposals reflect value for money and a superior means to deliver the Project as compared to traditional INDOT methods. Provide a report assessing the proposal from a value for money perspective. Provide advice throughout the selection process with respect to proposers' financing options and the relative impact of those options on value to INDOT, taking into account broader public policy objectives in so doing, and provide input into INDOT's evaluations on the basis of such advice.
- Assist the legal advisors in developing the financial elements of the public-private agreement.
- Assist INDOT and the legal advisors in connection with the negotiation of the final terms of the public-private agreement with the selected proposer.
- Assist INDOT and the legal advisors in connection with the Public-Private Partner's financial closing.
- Develop, prepare, and present financial briefing materials and reports as necessary to ensure communication and coordination with IFA, INDOT senior administration, the Governor's office and other key stakeholders.
- Provide analysis and advice from a market perspective with respect to tolling issues, including toll rates and tolling policies and rules.
- Assist in the assessment of material risks, including assisting INDOT and the legal advisors in developing optimal risk allocation model/matrix that allocates risks to each of the public

and private parties in a manner which best reflects the ability of the assigned party to manage and mitigate risk.

- Participate in explaining the elements of the transaction to the media and at public events for up one year after the closing date.
- Assist INDOT with transition planning and development of appropriate financial oversight procedures to administer the public-private agreement after financial close.
- As requested, participate in debriefings of unsuccessful proposers.
- Coordinate and communicate with INDOT’s other Project advisors, including legal advisors, technical advisors and traffic and revenue consultants.
- As requested by INDOT, support INDOT in administrative tasks necessary to complete the procurement process
- Provide other advice and deliverables as required to meet project objectives.

DBE GOAL

There is no DBE goal applicable to this RFP.

REQUIRED PREQUALIFICATION CATEGORIES

There is no prequalification requirement applicable to this RFP.

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End of INDOT Web Page for Project Notification